



The President's Daily Brief

~~Top Secret~~ 16 November 1966



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DAILY BRIEF
16 NOVEMBER 1966

1. South Vietnam

Ky has completed his cabinet changes by splitting the Ministry of Economy and Finance into three. Henceforth there will be ministries for industry, commerce, and finance. Southerners have been chosen to fill these posts as well as the three other vacancies created when disgruntled southern ministers walked out last month.

The three economic ministers are to form an "economic council" under the chairmanship of Ky, with the governor of the national bank as secretary general. This will give the governor a major voice in over-all economic policy.

2. South Vietnam

We have a late report--which we are checking out--that IV Corps commander Quang will replace General Thang as Minister of Revolutionary Development. In what appears to be a typical face-saving arrangement, Thang is slated to become Chief of Staff of the Joint General Staff. Some Revolutionary Development programs are to be transferred to the military and remain under Thang's jurisdiction.

3. Communist China

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4. Communist China

The Red Guards are snarling the country's transport system.

Incessant travel during recent months by some 10 million of these types has so clogged passenger facilities that many ordinary travelers have been stranded, despite regime efforts to supply extra transport.

Even worse, this congestion is playing havoc with freight shipments on some lines.

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Early this month the regime suggested a remedy--the Guards should walk, in fervent emulation of the Long March. We see a few signs that this idea is catching on, but enthusiasm may wane during the cold and snow of the approaching winter.

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5. Japan

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6. Dominican Republic

The latest embassy diagnosis is that the political boil is getting angrier.

The Dominican Revolutionary Party seems to have jettisoned its respect for constitutional government in favor of militant attacks against Balaguer. Views of the party's left-wing leaders are close to those of the Communists and extreme leftists and cooperation on some issues is possible.

The embassy believes that Balaguer may take authoritarian measures against the opposition, and predicts that if he does so the opposition will become more intransigent. On the other hand, any lack of firmness by Balaguer could alienate the military-civilian coalition that supports his regime.

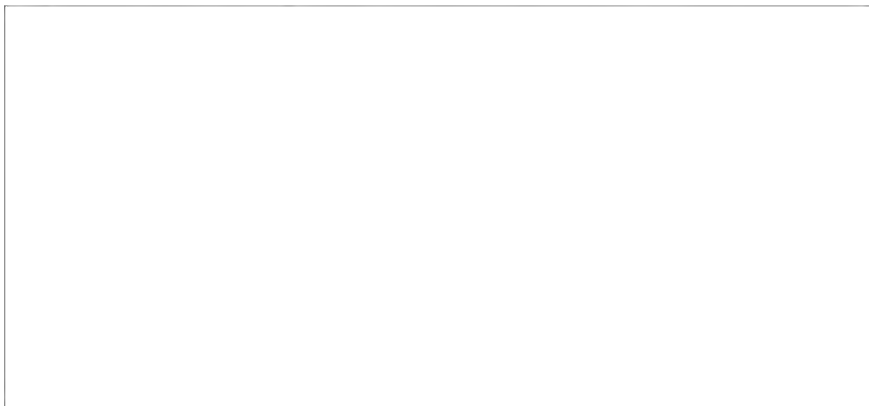
The embassy thinks all this could produce civil strife within three to six months.

7. Indonesia

Yesterday Suharto arrested some officers accused of planning to kidnap him and certain other key military leaders. This ought to clear the air of reports that supporters of Sukarno were about to do something, and may even speed up Suharto's "phased campaign" to neutralize the president.

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8. Iraq



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